

Meeting Summary

The following is a summary of issues discussed at the Maryland Energy Administration (MEA) Stat meeting on Thursday March 13, 2014. Analysis is provided by StateStat.

MEA Communication Strategy

- **Governor's Communication Team and the Department of Information Technology (DoIT) Discuss Website Redesign with MEA.** During MEA's February StateStat meeting, MEA was asked to connect with Frank Perrelli, Creative Director in the Governor's Press Office, to ensure efficiency in MEA's website redesign process. MEA's Communication and IT Managers spoke with Frank Perrelli as well as staff from DoIT to ensure MEA follows the required guidelines outlined for all state agencies migrating to the state template design. The agency has committed to ensuring that the new website is in line with the requirements set forth by the Governor's Press Office and DoIT. During the March stat meeting, the StateStat panel discussed the complications and redesign of MEA's website. As a result, Lori Livingston, Director of Interagency Digital Engagement, asked Senior GIS Analyst, Lisa Lowe, if the website could be used for a usability study. MEA will follow up with DoIT to discuss implementing a usability study on sections of its website.
- **MEA failed to meet Guidelines outlined in its 2014 Communication Plan.** MEA presented a 2014 Communication Plan detailing the agency's goals from January to July at its February StateStat meeting. As part of the plan, MEA agreed to complete an eNewsletter once a month near the end of each month to help engage the general public. The short-term goal was to increase open rates and click-throughs by 30% on its eNewsletters and increase subscribership by 30 percent through social media and events. MEA stated in its February Communications Metrics that it failed to send out a February 2013 eNewsletter as well as did not complete other portions of the plan. MEA recently hired a new Communications Manager who attended the March stat meeting and provided information on the future of MEA's communications plan. As a follow-up she will implement the 2014 Communication Plan and meet with Lori Livingston concerning implementing HootSuite.
- **MEA plans to Aggregate and Share Information on Third Party Stakeholders with other State Entities.** MEA was asked during its February stat meeting how it utilizes information to create partnerships between third parties and other state entities. MEA responded that its communications department manages bulk distribution lists, but closer contacts with industry and other third party stakeholders are managed by MEA's program managers. Currently, MEA shares these with other agencies when requested. Moving forward, MEA will compile a more detailed contact list to better facilitate introductions for other agencies. To avoid uncoordinated and excessive contacts, MEA will maintain ownership and management of the list moving forward.
- **MEA has Provided Upcoming Energy Legislation for the 2014 Legislative Session.** At its previous meeting, MEA was asked to provide updates on energy legislation including the position

MEA will take on Black Liquor and RPS legislation. In the previous stat, there were eight bills discussed including: the Renewable Energy Portfolio Standard, Community Renewable Energy Generating Systems, Poultry Litter Energy Generating Cooperative Program, Lawton Conservation Loan, Rebates and Tax Credits for Electric Vehicles and Recharging Equipment, an Energy Efficient Homes Construction Loan Program. Of this list, MEA supported six of the eight bills.

As a follow-up, MEA provided thirteen energy legislation bills and its position detailed on the chart below. MEA supports seven bills as they stand and four with amendments. The agency continues to have no position on RPS and opposes Electricity Certificate Winds Turbine Limitation (HB1168).

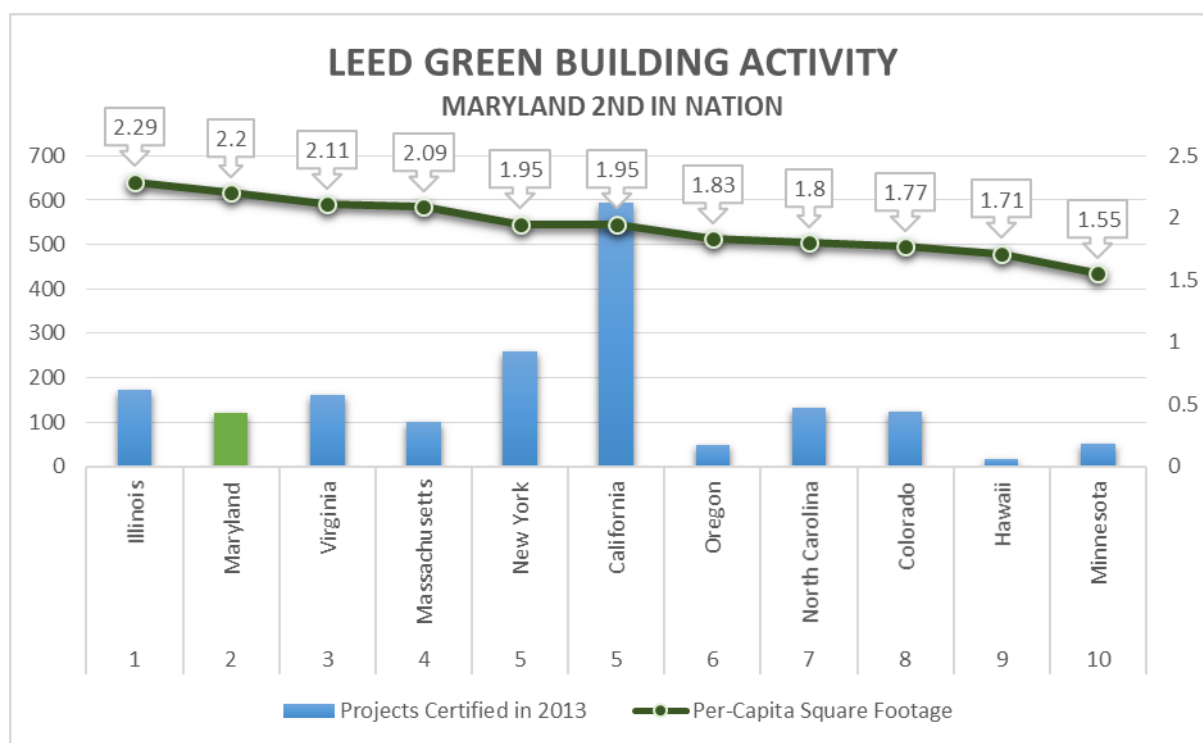
Senate Bill Number	House Bill Number	Bill Title	Position
SB0875	HB1165	Jane E. Lawton Conservation Loan Program	Support
SB0521	HB1076	Agriculture - Poultry Litter - Energy-Generating Cooperative Program	Support with Amendments
SB0734	HB747	Renewable Energy Portfolio Standard - Qualifying Biomass	Support
SB0530	HB0931	Renewable Energy Portfolio Standard - Thermal Energy	Support
SB0733	HB1149	Public Utilities - Renewable Energy Portfolio Standards	No Position Letter of Information
	HB0553	Housing - Energy-Efficient Homes Construction Loan Program	Support with Amendments
SB0908	HB1345	Electric Vehicles and Recharging Equipment - Rebates and Tax Credits	Support
SB0259	HB0861	Agriculture - Easements - Renewable Energy Generation Facilities	Support with Amendments
SB0786	HB1192	Electricity - Community Renewable Energy Generating System - Pilot Program	Support with Amendments
SB0417	HB0786	Sales and Use Tax - Tax-Free Weekend - Exemption for Light-Emitting Diode (LED) Lights	Support
	HB0207	State Capital Projects - High Performance Buildings	Support
SB 186	HB0202	Clean Energy Loan Programs - Private Lenders - Collection of Loan Payments	Support
	HB1168	Electricity - Certificate - Wind Turbines - Limitation	Oppose

Renewable Energy: Increase Maryland's In-State Renewable Generation to 20 Percent by 2022

- Maryland becomes 2nd in the Nation for LEED Green Building Activity.** On February 18, 2014 the U.S. Green Building Council (USGBC) announced that Maryland placed second in the top ten states for LEED green building initiatives. In 2013, Maryland certified 119 projects representing 12,696,429 square feet of real estate, or 2.20 square feet per resident. USGBC takes into consideration population and uses a per capita metric to determine rankings. The per-capita list is based on 2010 U.S. Census data and includes commercial and institutional green building

projects that were certified throughout 2013. The chart below shows Maryland's ranking compared to the other nine states.

M&T Bank Stadium recently became LEED Gold certified and attributed this achievement to applying policies and procedures mandated by the Maryland's energy-saving initiatives, namely the [EmPOWER Maryland](#) program. MEA partially funded the energy audits and certifications through EmPOWER Maryland's focus on state offices and buildings.



- MEA failed to complete February's Milestones for Solar Energy.** MEA tracks solar energy generation under Tier 1-Solar which can be viewed on the StateStat [website](#) under agency reports (Renewables GDU). To date, cumulative Tier 1 Solar totals include 5,651 installations with 216.9 million savings in KWh. In order to help increase Maryland's in-state renewable generation, MEA offers grant funding for solar water heating projects through its [Residential Clean Energy Grant Program](#) and [Commercial Clean Energy Grant Program](#).

During the month of February, MEA failed to meet two of its solar milestones. MEA did not release its Clean Energy Grant Program (CEGP) funding for solar carport grants. Solar carports allow energy creation while still providing a shaded parking area for those utilizing the carport. Additionally, as required by the February solar milestone, MEA did not begin its study on solar hot water (SHW) for correctional facilities. In order to reach Maryland's in-state renewable energy generation [goal](#) of 20 percent by the end of 2022, the Maryland Energy Administration (MEA) and the Department of Public Safety and Correctional Services (DPSCS) will implement solar water

heating projects in seven correctional facilities. MEA stated they are currently completing the final approval of the application materials for CEGP funding. MEA assured the panel, it will release CEGP funding by its April stat meeting.

- **Greenspring Energy closes its Doors and Leaves Customers looking for Reimbursements from Solar Renewable Energy Credits (SREC).** Under Maryland's Renewable Energy Portfolio Standard (RPS), companies that sell power in Maryland are required by law to source a certain percentage of their electricity generation from solar power and other renewable energy systems. Solar Renewable Energy Credits (SREC) are traded as financial instruments on markets similar to other commodities. According to MEA, a SREC represents the environmental attributes associated with 1,000 kilowatt-hours of generated solar power. In order to remain in compliance with this law, generators may purchase renewable energy credits from residents and businesses that are generating their own renewable electricity. As a result, there are many different entities that buy and sell SRECs. The demand for SRECs arises from the need of generators to purchase SRECs to meet their RPS compliance requirements.

The Baltimore Sun [reported](#) that [Greenspring Energy](#) went out of business and left customers with unpaid reimbursements from the sale of SRECs. On a state level, Maryland's Public Service Commission certifies SREC eligibility but does not monitor payment problems associated with SRECs. Because the SRECs are created by the states, a federal agency is not in place to oversee the SREC market and implement regulation. MEA and the StateStat panel discussed having a dialogue between PSC, MEA and other stakeholders to begin preliminary discussions of future regulations needed for this growing industry.

- **Solar Gardens help Citizens Increase Renewable Energy Generation in Colorado.** According to an [article](#) by Governing Magazine, 75 percent of Americans cannot install solar panels on their property. In order to fix this problem community-owned solar gardens allow citizens to get access to renewable energy without the costs associated with solar panel installation. Colorado first legalized solar gardens in 2010 which allowed individuals to buy into solar array and receive credits from utilities for renewable energy. In 2012, Xcel Energy opened one of the first solar gardens in Colorado selling out of lots in 30 minutes. The cost of solar panels are expensive and investment payback ranges from twelve to fifteen years. In Colorado, memberships to solar gardens can be bought or leased for \$600 to \$3500, which is cheaper than a personal solar roof installation of \$15,000 to \$30,000.

In Maryland, only local governments, agricultural customers and nonprofits are permitted to participate in net metering according to [Public Utilities Article \("PUA"\) §7-306\(h\), Annotated Code of Maryland. PUA § 7-306\(h\)](#). [Net metering](#) is permitted by law for solar, wind, biomass, micro combined heat and power, fuel cell and closed conduit hydro electric generators that are intended primarily to supply the customer's annual energy usage. University Park Community Solar, LLC serves as an aggregator of renewable energy through solar paneling installed on the roof

of a Maryland church. University Park does not rely on virtual net metering due to the system being installed behind the church's current meter. Participants invest in the LLC but not necessarily by kWh. The investment allows participants to earn benefits based on their investment even if they move out of the utility's territory.

During a Maryland Clean Energy Center (MCEC) Legislative Reception, Abigail Hopper, MEA's stated several clean energy and energy efficiency measures will be supported in the 2014 General Assembly. Director Hopper mentioned supporting community renewable projects and an equitable manner of sharing grid-operation costs among utilities and sources of distributed generation as one of the measures.

- **MEA failed to Announce Game Changers 2.0 Winners in Accordance with its February Milestone Goal.** The Game Changer Competitive Grant Program is focused on using private energy and technologies for the public good. MEA supports the utilization of "game changing" renewable and clean energy producing technologies, and other energy storage technologies that help Maryland reach its renewable energy and greenhouse gas reduction goals. Game Changer 1.0 initiated in July 2012 was awarded to four organizations. All technologies have been implemented and continue to show promising strides in the energy sector. Game Changer 1.5 distributed in February 2013 was awarded to five organizations whose technologies have all been implemented and continue to show potential in advancing the state's energy goals. The distribution of past grants are on the map below. The technologies not represented on the map are designated at multiple locations or the locations are not outlined on MEA's website.

Game Changer 2.0 applications were due on January 13, 2014 and the chosen companies will receive \$1M in total funding. MEA stated in the February StateStat meeting it anticipated having grant agreements ready to sign by February 14, 2014 and "game changing" winners would be announced in the March stat meeting. Devon Dodson stated he is meeting with Abby Hopper, March 14, 2014 to discuss the winners and will present at its April stat meeting.



GAME CHANGER PROGRAM

1.0

Solar-Charged Electric Vehicles (EVs) ●

State's First Solar Microgrid ●

Glazed Polymeric Solar Water Heating Systems

Community-scale Wind Project Assessment and Development

1.5

Residential Geothermal Heating & Cooling ●

Metering of 70 Commercial GHC Projects

Geothermal Heating & Cooling for the Living Building Challenge ●

Standing Column of Water (SWC) Geothermal Heating & Cooling System ●

Greenhouse Installation of a Biomass Boiler/Organic Rankine Cycle Generator CHP System ●



Strategic Goal: Reduce both Per Capita Peak Demand and Per Capita Electricity Consumption in Maryland by 15% by 2015

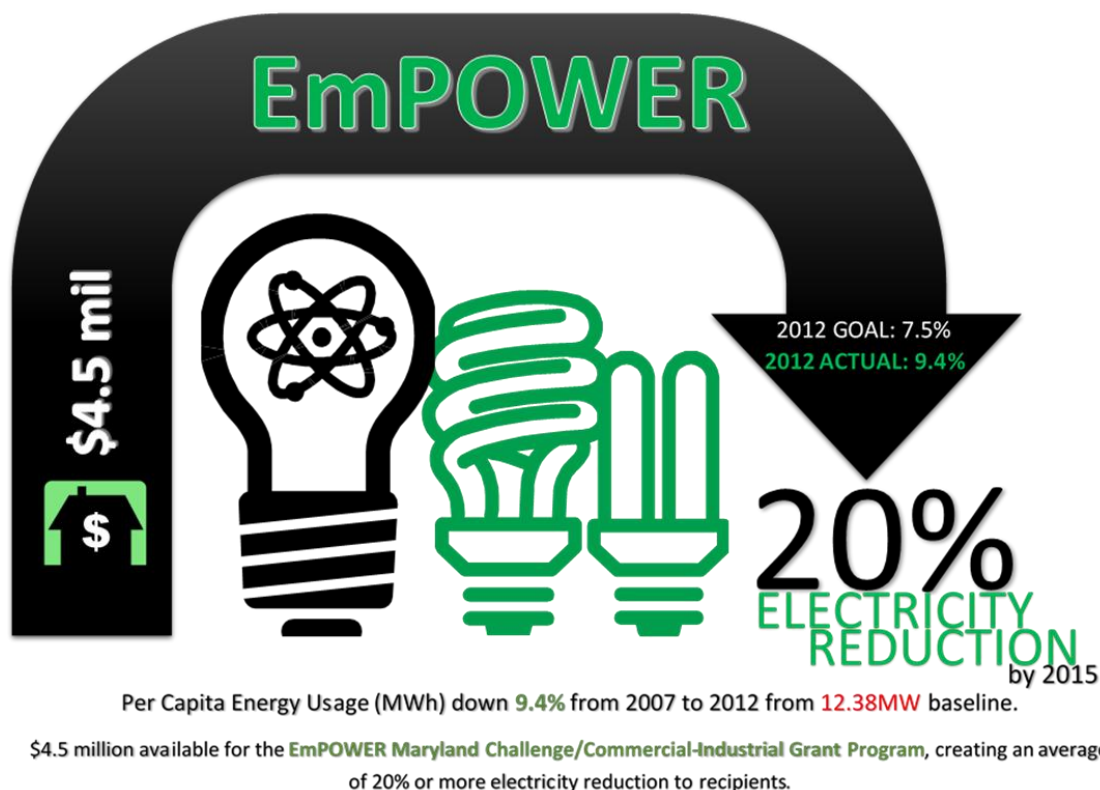
- **MEA Provides Grants to EmPOWER Clean Energy for Low-to-Moderate Income (LMI) Communities.** As part of MEA's 2014 milestones the agency will design and administer programs to promote energy efficiency among LMI Marylanders to help reach the EmPOWER Goal. MEA offers a clean energy grant focused on reducing energy usage in LMI communities. The grant funding is based on the number of LMI individuals that can be served over a 15 year period during the implementation of the grant. The FY2013 grant funded [43 projects](#) in 18 Maryland counties and in Baltimore City. The funding helped to increase energy efficiency in shelters, senior housing, and residential housing throughout the aforementioned jurisdictions.

On November 30, 2013 the grant application closed for 2014. At the last StateStat meeting, MEA was asked to follow up with the final recipients of the grant and to provide distribution figures by county. As part of MEA's February milestones, the agency planned to communicate FY14 recommendations to MEA leadership and the Governor's Office as well as host a FY14 grant evaluation day. MEA is in final negotiations with the grant recipients and will send the list to StateStat when they are made public. MEA uses U.S. census data to determine the total number of households within each county that meet the definition of low-to-moderate income (defined as less than 85 percent AMI). MEA then allocates grant funds to each county formulaically based on the

number of LMI households in a particular county versus the total number of LMI households statewide, after first ensuring that each county receives a certain minimum grant amount of \$100,000 (FY14).

- **EmPOWER Maryland Challenge Projects will be Announced in March.** Through the inaugural EmPOWER Maryland Challenge, the Maryland Energy Administration (MEA) is providing competitive grant awards to privately owned commercial and industrial buildings that reduce electricity use by an estimated 20 percent or more in a building or treated space (i.e. office). The grant will cover up to 50 percent of the project's cost after all incentives have been applied and require all energy efficient updates to be made by May 1, 2015.

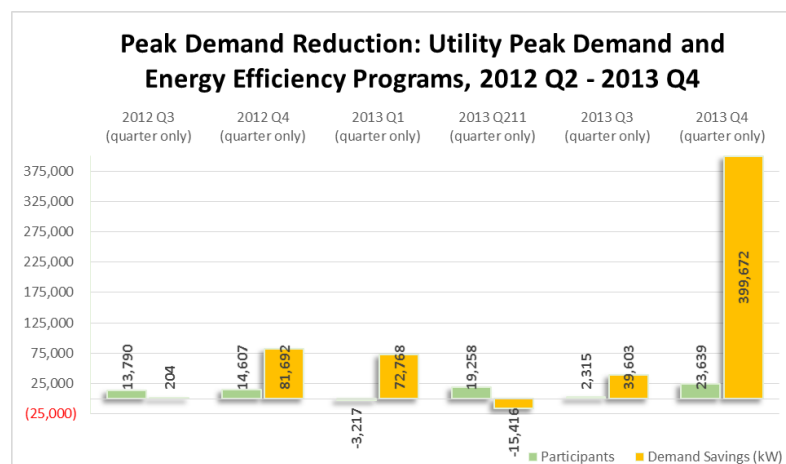
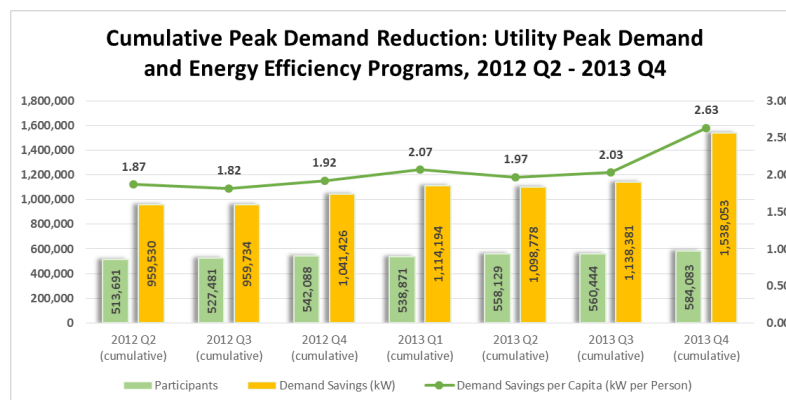
MEA was asked to provide an update on grant distribution and highlight any newsworthy projects. MEA responded that the EmPOWER Maryland Challenge Commercial & Industrial Grant program is in the midst of grant application review. Seventy grant applications were received with potential grant funding of \$11.5M. This represents a total of \$34M in projects. The review is slated to be completed by the end of March with recommendations to leadership.



- **AAMC could produce \$760,000 in Energy Savings through MEA Case Study.** MEA promotes energy efficiency financing programs for residential, commercial, non-profits, and local governments through EmPOWER financing. As part of the February 2014 milestones, MEA

planned to publish its third grant case study for the "Getting to 'Yes' for Energy Efficiency" program which outlines strategies to help businesses overcome energy efficiency hurdles and successfully implement energy efficiency projects. MEA is still working to finalize the case study on Anne Arundel Medical Center (AAMC) energy efficiency initiatives. The case study is with AAMC's executives for approval. This approval will also contain additional information on the energy savings realized as a result of the project, which are currently estimated at \$760,000. The case study publishing and podcast were due for the February milestone, however MEA stated the case study will be published by April 2014.

- 23,639 Participants Enroll in Utility Peak Demand and Energy Efficiency Programs in 2013 Q4.** In 2013 Q4, 23,639 participants were enrolled in Utility Peak Demand and Energy Efficiency Programs. As a result, demand savings were 399,672(kw) for 2013 Q4. The charts below break down the cumulative and quarterly peak demand reduction due to utility peak demand and energy efficiency programs. From quarter three to quarter four, participants increased from 2,315 to 23,639 and demand savings increased from 39,603 to 399,672. Majority of the savings in 2013 Q4 are attributed to Pepco's demand pricing program.



- **MEA presents EmPOWER Beyond 2015.** MEA serves as an advisor to the Governor on directions, policies and changes in the various segments of the energy market. During the Interagency Climate Change/Sustainability Meeting and the EmPOWER stakeholders meeting several questions were raised about the future of EmPOWER beyond 2015. As a result, MEA spent thirty minutes presenting the EmPOWER 2015 planning process overview, including market studies and the cost effectiveness working groups. The presentation included the utility progress-to-date and the current status of EmPOWER Maryland.